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Title : President's address to both the Houses of Parliament assembled together on the 12th February, 2009.

SECRETARY-GENERAL: I beg to lay on the Table a copy of the President's Address to both the Houses of Parliament assembled together on the 12th February, 2009.

** Honourable Members,

- Laid on the Table and also placed in Library, See No. LT-10444/2009

** The President delivered her Address in the Central Hall in English, Hindi text of the Address was read by the Vice-president.

I convey my good wishes to you and to all our people. On behalf of all of us, let me greet Prime Minister Dr. Manmohan Singh. We are happy that he is recuperating fast. We wish him a speedy recovery for continuing with his onerous responsibilities. I also convey my special greetings to members of our security forces keeping vigil to protect us. We have been through an eventful yearâ€"a year that challenged our open society and our open economy. A year that tested by fire the principles that our country has always lived by- communal amity, tolerance, compassion, justice and peaceful coexistence.

Looking back, we see hope. We have not only withstood the challenges but also emerged stronger. The spirit of ordinary people rising together as one overcame the challenge to our nation from terrorist violence. The calibrated and prudent economic reform pursued by our government is helping us to weather the extreme adversities of the global economic meltdown.

In both these disruptive events, it was our abiding commitment to the principles of democracy that has been our strength. Our economic reform was catalyzed through our deliberative democracy. Challenges to our nationhood were again thwarted by our functioning democracy. The record turnout of people in Jammu and Kashmir to cast their votes in the elections to the State Assembly in a peaceful atmosphere was a resounding affirmation of their faith in democracy and a rejection of terrorism and violence. The elections have brought new hope to the people of that state.

Our functioning democracy has set for my government exacting standards to judge its performance. People measure government not on the basis of what it says but on the basis of what it does. In a democracy, government is measured on a simple maxim-aam admi ko kya rav? When democratic, secular, progressive forces came together in this government it sought to make itself accountable to the people through a National Common Minimum Programme. Today, after close to five years in office, my government believes that it has acted on nearly all the commitments made to the people through the National Common Minimum Programme.

The commitment to inclusive development articulated in the NCMP has been translated into laws, policies and programmes by my government. A right to work for people in our rural areas was guaranteed through the National Rural Employment Guarantee Act. The Unorganised Workers' Social Security Act, 2008, will facilitate provision of social security to 43 crore unorganized workers. Through the Act on Right to Information, government has been held accountable to citizens for governance. Through the Scheduled Tribes and Traditional Forest Dwellers (Recognition of Forest Rights) Act, historical injustice to tribes and traditional forest dwellers was corrected to confer land rights. A Central Educational Institutions (Reservation in Admission) Act ensured reservation to students of Other Backward Classes in educational institutions. A Bill on Right to Education, a Bill for amending the Land Acquisition Act along with a new Bill for Rehabilitation and Resettlement and a Constitution Amendment Bill providing for Reservation for Women in Lok Sabha and State Legislatures stand introduced in Parliament.

The National Rural Employment Guarantee Act, which now covers the whole country, is the first such intervention anywhere in the world where a country has guaranteed employment for a specified number of days to any category of citizens. In 2007-08, nearly 3.4 crore rural households were provided employment under this programme. Out of those provided work, 55% belonged to Scheduled Tribes and Scheduled Castes and 49% was women. Over 46 lakh works have been taken up under the programme so far of which 19 lakh have been completed. Water conservation, irrigation and land development account for 83% of the work in 2008-09 contributing to agricultural productivity. It has consolidated grassroots democracy working through panchayats. Payments under the programme are being effected through post offices and bank accounts which now hold nearly 6 crore account holders making it a remarkable case of financial inclusion. This programme is keenly watched all over the world as an Indian innovation in combining the twin objectives of providing for consumption expenditure of the poor as well as improving rural productivity and income. Results of the programme in the last three years show increased agricultural productivity, reduced migration and increase in wage rates for agricultural employment across the country. As India is entering the sixtieth year of the republic, the National Rural Employment

Guarantee Act is moving India towards a Republic of Work.

Along with the National Rural Employment Guarantee Act, the social security framework has been further strengthened through introduction of the Aam Admi Bima Yojana, the Rashtriya Swasthya Bima Yojana and the revamped Indira Gandhi National Old Age Pension Scheme now extended to all old persons below the poverty line.

My government promised a new deal to rural India through the revival of agriculture on which nearly 60 percent of our population is dependent. Through carefully crafted policies in the agricultural sector we have been able to revive our agricultural economy from the trap of low investment, low productivity and rural indebtedness. My government increased by three-fold the credit to agriculture from Rs.87,000 crore in 2003-2004 to Rs.243,000 crore in 2007-2008. Short-term agricultural credit was made affordable at 7% through an interest subvention. My government waived around Rs.65,000 crore of outstanding credit owed by 3.7 crore farmers who had fallen on bad times to revive their credit cycle. Remunerative prices were given to farmers through unprecedented enhancements in the Minimum Support Price which was raised from Rs.630 in 2004 to Rs.1080 per quintal in 2009 for wheat and from Rs.550 per quintal in 2004 to Rs.900 including bonus in 2008 for paddy. The efforts to create a unified national market through changes in the Agricultural Produce Marketing Committee Acts bore fruit. Investment in agriculture has increased from 10.2% to 12.5% of the GDP.

Agricultural diversification was promoted through the National Horticulture Mission and a National Rainfed Area Authority was set up to provide technical assistance to increase production from drylands. A Rashtriya Krishi Vikas Yojana with an allocation of Rs.25,000 crore and a National Food Security Mission with an outlay of Rs.4,822 crore have been put in place to increase production and crop productivity. Special attention was given to distress-affected districts through a special package. A special package was also extended to farmers growing plantation crops. My government ensured that the interests of our farmers were fully protected in the protracted negotiations in the World Trade Organisation.

Fertilizer is a very crucial input for our farmers. Owing to the unprecedented increase in prices of crude oil and chemicals in the international market, the prices of fertilizers had increased manifold. My Government however did not increase the prices of fertilizers even once in the last five years. At the same time steps are being taken to secure supply of fertilizers from abroad at reasonable prices through investment by Indian companies in fertilizer units abroad. A special purpose vehicle called Urvarak Videsh Ltd. has been incorporated for this purpose.

As a result of concerted efforts, this year the agriculture sector has grown by 4.5%. Production has increased in almost all crops between 2004 and 2008. In the case of wheat it has gone up from 68 million rave in 2004 to78 million rave in 2008, in the case of paddy from 83 million rave in 2004 to 96 million rave in 2008, in the case of cotton from 164 lakh bales in 2004 to 258 lakh bales in 2008 and in the case of soyabean from 68 lakh rave in 2004 to 99 lakh rave in 2008. Through the farmer-first policy, the country has been able to achieve record production of food grains of 230.67 million rave in 2007-08 and ensure food security.

The gaps in rural infrastructure that denied opportunities for farm and rural non- farm employment have been systematically addressed through Bharat Nirman, our time-bound plan for rural infrastructure. Under Bharat Nirman, 5.6 million hectares have been brought under irrigation. The Accelerated Irrigation Benefit Programme has been assisting states to complete ongoing irrigation projects. My government initiated a major programme for Repair, Renovation and Restoration of water bodies to augment community level water security. At the same time 14 major irrigation projects have been taken up as National Projects and are being assisted with 90% grant from Government of India. Through consensus created with states, the river interlinking projects like Ken-Betwa, Par-Tapi- Narmada and Daman Ganga-Pinjal have moved ahead.

Under the Rural Roads programme, work on 25,000 villages has been completed to provide market connectivity to farmers. Over 50,000 villages have been provided electricity under the Rajiv Gandhi Gramin Vidyutikaran Yojana. Today 98% of our villages have telephone connectivity and mobile telephony is spreading fast in rural India. Under the Indira Awas Yojana component of Bharat Nirman 60 lakh houses were to be built and this target has already been achieved with another 16 lakh under construction. Rural water supply coverage and funding under the programme have considerably increased. Bharat Nirman has served to integrate rural India more centrally into the growth process and unlock its potential.

Lack of adequate health care has been a major cause for rural poverty. My government initiated a National Rural Health Mission, which is now radically transforming health care provisioning in our villages. A major network of over 6 lakh Accredited Social Health Activists or ASHAs has been created to attend to basic health needs of rural households. Rural public health infrastructure of Sub Health Centres, Primary Health Centres and Community Health Centres has also been considerably strengthened. The success of these efforts is evident from the fact that institutional delivery has gone up seven-fold since the mission commenced thereby reducing maternal and infant mortality. There is a still a long way to go. The campaign for total sanitation in rural areas, vitally important for health has seen unprecedented success increasing coverage from 27% in 2004 to 60% by January this year. The sanitation campaign received a boost through the Nirmal Gram Puraskar which has been awarded to 17,969 panchayats and Sikkim has become the first Nirmal State in the country. Separate Departments have been set up for Medical Research and Aids Control and a Food Safety and Standards Authority has become functional to ensure consumer protection. Government is considering setting up a National Urban Health Mission to focus on the health needs of the urban poor commencing with selected major cities.

Drugs and pharmaceuticals play an important role in healthcare. My Government has set up an independent Department of Pharmaceuticals, and has taken effective steps to keep the prices of essential and life saving drugs in

check. Public Sector Undertakings which had been set up to manufacture critical bulk drug formulations and antibiotics have been revived. In order to promote education and research in pharmaceuticals, the Government has set up National Institutes of Pharmaceutical Education and Research at six places.

The gaps in educational facilities in elementary education stand substantially met through the Sarva Shiksha Abhiyan. There is near universal coverage of primary education. The focus is now on enhancing quality. Enrolment has increased from 15.6 crore children in 2004 to 18.5 crore in 2008. The number of children out of school has come down from 320 lakh in 2004 to 76 lakh in 2008. The Mid-Day Meal programme implemented by my government as an incentive for retention of children in schools covered 15 crore children last year. Over 8 lakh teachers have been recruited with the support provided to states through the Sarva Shiksha Abhiyan. To meet the demand generated through near universalization of elementary education, my Government has announced an equally ambitious programme for secondary education through the Rashtriya Madhyamik Shiksha Abhiyan and 6000 model schools as exemplars of quality are also being set up throughout the country.

Government has been focusing on empowering women through micro finance. Under the Swarnajayanti Gram Swarojgar Yojana, self-employment of women is promoted. About 31 lakh self help groups have been set up of whose membership, two-thirds are women. My government is considering the recommendations of the Committee of Governors for speedy socio-economic development and empowerment of women.

Infants and children below six need special attention. Universalisation of Integrated Child Development Services programme has been given a very high priority and nearly eleven lakh habitations have now been covered. The coverage of children has doubled over the last four years and nearly 8 crore children and mothers are now receiving supplementary nutrition. While steps are being taken to further expand and strengthen this important programme, my government has also established a National Commission for the Protection of Children's Rights.

Social inclusion has been strengthened by my government through programmes targeted at specific categories like scheduled castes, scheduled tribes, other backward classes and minorities. Education is the key to empowerment of these sections. Ongoing scholarship programmes have been significantly expanded with revision of norms. Each year about 6.5 lakh students, mainly from families of Safai Karmacharis will be given pre-matric scholarships. Nearly 10.50 lakh students belonging to Scheduled Tribes and 35 lakh students belonging to Scheduled Castes will be given post-matric scholarships. Pre and post-matric scholarships will be given to 25 lakh students from Other Backward Classes. Several new scholarship schemes have also been instituted for these categories. The Rajiv Gandhi Fellowship programme assists students belonging to Scheduled Castes and Scheduled Tribes for pursuing research studies at M.Phil and doctoral levels. On an average 8 lakh students from minority communities will be covered each year under three new scholarship schemes. To promote girls' education around 11 lakh scholarships would be given each year. Under the Scheme for Early Attraction of Talents for Science, each year 2 lakh scholarships will be given. Another scholarship scheme for College and University students will benefit 82,000 students every year. Over a crore of students will now begin to get scholarships each year through all these schemes. For the first time, reservation in educational institutions was extended to Other Backward Classes by my government.

To further strengthen social and economic inclusion of minority communities, my government set up the new Ministry of Minority Affairs and announced the Prime Minister's new 15-point programme for the Welfare of Minorities. The Sachar Committee set up by government examined the status of Muslims in a comprehensive manner to enable the government to respond to relative gaps in development attainments.

Through the initiatives of government, close to 8 lakh students belonging to minority communities would be provided scholarships this year itself. The coverage will go up to nearly 40 lakh students over the next four years. More than 10000 new Primary Schools and Upper Primary schools have been constructed in areas that have substantial minority concentration. Entrepreneurs from minority communities have been provided assistance under the Swarna Jayanti Grameen Swarozgar Yojana. Under Indira Awas Yojana, 2.39 lakh houses have been allotted to minorities during 2008-09. The flow of credit to minorities has increased sharply and is expected to go up to 15%. Public Sector Banks have opened more than 500 bank branches in minority concentration districts. With a view to bridging the development gaps in socio-economically backwards districts with minority concentration a Multi-Sectoral Development Programme has been launched to cover 90 minority concentration districts of the country. The representation of minorities in public services, para-military forces, Railways, Banks and financial institutions has considerably improved in the last two years.

Needs of the disabled in society should become a central concern for any caring government. Mindful of the challenges faced by this category of people, my government has framed a national policy for persons with disabilities which is now being implemented. In addition to special schools for the disabled, schools under the Sarva Shiksha Abhiyan will provide for addressing the special needs of disabled children. Employment provision in public services to the disabled was made applicable to All India Services.

When my government came into office the plight of weavers was alarming in many parts of the country. A comprehensive package consisting of provision of technology, credit and marketing support together with health insurance was extended to weavers. Cluster-based development plans are in operation. Under the Textile Upgradation Fund Scheme textile industry has been modernized to benefit from the post-quota regime.

Rapid growth in industry, and services, is essential to provide the avenues for employment required by our youth. My government has put in place appropriate policies which have promoted growth and employment opportunities. In particular, my government enacted the Special Economic Zones Act, which has already facilitated incremental investment of

Rs.90,000 crore, and generated direct and indirect employment for over 7 lakh persons. My Government has constituted the Delhi-Mumbai Industrial Corridor Development Corporation (DMICDC) for developing an industrial corridor along the Dedicated Railway Freight Corridor between Delhi and Mumbai. The proposed industrial corridor will pass through six States of the country and infrastructure facilities will be developed at identified locations in consultation with the States concerned. My Government has come out with a new policy for promoting investment in Petroleum, Chemicals and Petrochemicals sector through development of Investment Regions. Significant progress has been made towards setting up Petroleum, Chemicals and Petrochemical Investment Regions in Andhra Pradesh, Gujarat and West Bengal.

India is a nation of young people. India's demographic dividends can be realized only if the country invests in developing skills to make our youth employable. Through a planned investment in skill development the country holds the potential to account for a fourth of the global work force by 2022 when India will mark 75 years of its independence. My government has made skill development a major national priority and has put in place coordinated action for skill development through a National Council for Skill Development chaired by the Prime Minister. A National Skill Development Coordination Board to synergize public and private streams for skill development and a National Skill Development Corporation to promote private sector led action have also been set up.

India realizing its potential in the new knowledge economy is critically dependent on building institutions that nurture creativity and innovation. It is a tribute to the Nehruvian vision that the Indian Institutes of Technology set up in the early decades of our independence led to India's emergence as global power in software development by the end of the century. My government has undertaken a second wave of investment in higher education through the creation of 8 new Indian Institutes of Technology, 7 Indian Institutes of Management, 5 Indian Institutes of Science Education and Research, and 15 new Central Universities. The core of the Eleventh Plan is knowledge-investment with allocations growing four-fold. India sees knowledge as the strategic resource that will give it leadership and this investment will serve that purpose. To attract and retain talent in institutions of higher learning, my government has radically restructured the pay scales of teachers in universities.

The National Knowledge Commission set up by my government has been giving useful inputs for developing and sharing knowledge resources. Acting on its recommendations a National Knowledge Network connecting major national knowledge institutions is being set up and its first phase will become operational shortly.

My government has taken several steps to promote science and technology. Creation of a new Ministry of Earth Sciences, promulgation of a new map policy, establishment of a National Spatial Data Infrastructure and introduction of the INSPIRE programme to promote science education have been some of the highlights. Biotechnology, a sunrise sector has seen an unprecedented growth of over 35% and research has supported development of vaccines for health and new seeds for agriculture vitally important to the common man. While pursuing frontier areas of science and technology like nanotechnology, robotics or genomics, the government has also launched special efforts targeted for the disadvantaged through initiatives like the Open Source Drug Discovery programme and CSIR project 800.

. Our scientists have demonstrated time and again that they have the capacity to be the best in the world. The successful placing into the lunar orbit of the Chandrayan-1 spacecraft in November 2008 is a tribute to our talent pool in science and technology and heralded India's entry into a select group of countries that have successfully undertaken lunar missions. India has also successfully accomplished eighteen missions which included eight launch vehicle missions and eight satellites launched by the PSLV and GSLV. Data from our satellites is being extensively used for land and water resource management, monitoring of the environment and the management of natural disasters. India's space technology has earned international acclaim and is being successfully marketed abroad on a commercial basis.

The Right to Information Act has had a positive impact in making government more accountable and has been widely welcomed by the people. Information technology offers opportunities to transform our democracy through electronic governance. My government has taken up a programme for setting up one lakh Common Service Centres providing services in the villages and 25,000 of these have become functional. The Unique Identification Authority of India has been set up in order to generate and assign unique identification numbers for residents. This is important from the security perspective, as also to improve the delivery of development and welfare schemes.

My government believes that decentralized governance through Panchayati Raj and Urban Local Bodies is the surest way to improving delivery of services and fostering inclusive development. The Ministry of Panchayati Raj set up for the first time at the Central level accelerated the process of devolution of funds, functions and functionaries to panchayat institutions. Through constant engagement with states and central Ministries, the architecture of decentralized governance has been strengthened. The Backward Regions Grant Fund has been used to raveledization district planning. Panchayat representatives are leading development activities at the local level. The second Administrative Reforms Commission set up by my government has given elaborate recommendations for governance reform, many of which have a bearing on raveledization.

Streamlining the functioning of judiciary is essential for ensuring our people quick and affordable justice. My Government has introduced a Bill to establish a National Judicial Council to ensure accountability and transparency in the judicial system. It has already approved the proposal to increase the strength of High Court Judges by 20 per cent. The maximum number of judges in the Supreme Court, excluding the Chief Justice, has been increased from 25 to 30. District and Subordinate Courts are being computerized to improve their functioning. My government enacted the Gram Nyayalayas Act to take justice closer to people.

Recognizing that India's cities and small towns while being engines of economic growth were seriously deficient in civic infrastructure and services, my government launched the Jawaharlal Nehru National Urban Renewal Mission. This Mission is the first major effort for a renewal of our urban areas. In 61 out of the 63 cities covered under the Mission, projects costing over Rs.40,000 crore are under implementation based on City Development Plans. Under its basic services programme, 11.7 lakh houses are being constructed to make housing affordable to the poor. Interest subsidy of 5% is also extended on home loans for promotion of housing for low income groups in urban areas. My government initiated an Urban Transport policy under which public transport is being promoted. The Metro in Delhi is being expanded to Gurgaon and Noida and urban rail systems have been promoted in major cities like Kolkata, Mumbai, Bengaluru, Chennai and Hyderabad. States have also been provided with funds to purchase buses for their urban transport systems.

My Government has, for the first time, announced an Integrated Energy Policy which lays down a roadmap to meet the demand for energy in all sectors of the economy in an efficient, economically viable and environmentally sustainable manner using different fuels and forms of energy. The policy not only meets the requirement of energy security but also provides an overall framework which is consistent with achieving the objective of inclusive growth.

Coal is the main source of energy in the country. Besides expanding production in the public sector, my government has allocated 158 coal blocks with reserves of almost 40 billion rave to various government and private power, cement and sponge iron companies for captive use. A new Coal Distribution Policy has been put in place and e-auction introduced to make coal accessible to all. Coal India Limited has been conferred Navratna status for speedy project implementation. A bill has been introduced in the Parliament to amend the Mines and Minerals (Regulation and Development) Act to enable transparent allocation of coal blocks through competitive bidding. Coal to Liquid project is being initiated to meet the rapidly growing need of liquid fuel in the country. Rates of royalty for coal and lignite have been significantly enhanced to ensure better revenue to resource-bearing states.

My Government has formulated a new National Mineral Policy in order to attract large investments and the latest technologies for prospecting and mining, with due regard to the needs and sensitivities of the mineral bearing states.

During the last four years, 112 oil and gas discoveries have been made, significant amongst them being the discovery of gas for the first time in the ultra deepwater areas. The refining capacity has significantly increased and our exports of petroleum products have quadrupled from US $ 6.6 billion in 2004-05 to US $ 26.8 billion in 2007-08. Over 300 lakh new customers have been provided with LPG connections, thus covering about 52% of the population and 5 kg cylinders have been introduced for low-income customers. Government has constituted the Petroleum and Natural Gas Regulatory Board to protect the interests of customers and petroleum entities. Rajiv Gandhi Institute of Petroleum Technology has been established for studies and research in petroleum and energy sectors.

A major initiative has been taken for the development of coal-based Ultra Mega Power Projects (UMPPs) each with a capacity of 4,000 MW with environment-friendly super critical technology. Three projects, i.e. Sasan in Madhya Pradesh in 2007, Mundra in Gujarat in 2007 and Krishnapatnam in Andhra Pradesh in 2008 have already been handed over to the successful bidders and are at the implementation stage.

The New Hydro Power Policy 2008 which has been put in place aims at providing a level playing field to private developers. The scheme envisages, in addition to the existing 12% free power for the host state, 1% free power for local area development in the project area. For a period of 10 years from the date of commissioning of the project, 100 units of electricity per month would be provided by the project developer to each Project Affected Family through the relevant distribution company.

The Accelerated Power Development and Reforms Programme (APDRP) has been restructured for implementation during the 11th Five Year Plan with revised terms and conditions and a total outlay of Rs.51,577 crore. The focus of the programme is on actual, demonstrable performance in terms of loss reduction in selected urban areas.

My Government has accorded importance to increasing the share of nuclear energy in our overall energy mix. Three nuclear power units with a total capacity of 1300 MWe have been brought online. Six more nuclear power units with a total capacity of 3160 MWe are in advanced stages of construction. We are committed to the three-stage nuclear development programme ultimately leading to large-scale utilization of thorium for energy production. A number of new technologies involving Advanced Heavy Water Reactors, High Temperature Reactors and Accelerator Driven Systems are under development as a part of our long-term programme for development of nuclear energy.

The 11th Five Year Plan aims at raising the total annual investment in infrastructure from 5% of GDP to 9%. This will greatly enhance infrastructure development in our country. A country's industrial progress greatly depends on the volume of steel it produces. India is now the fifth largest producer of crude steel in the world and hopes to be the second largest steel producing nation by 2015. The States of Orissa, Jharkhand, Karnataka, Chhattisgarh and West Bengal are getting major investments to develop their steel industry.

My Government has expanded the network of roads in our country and improved the national highways. It has drawn up an ambitious plan for investing Rs.2,36,000 crore for upgradation of National Highways involving a total length of about 34,000 kms. The Golden Quadrilateral connecting the four metropolitan cities is near completion. The north-south and east-west corridors are expected to be completed during the next year.

The Indian Railways has achieved record profits continuously over the last four years while maintaining efficiency and service standards. The new technologies adopted by the Railways have increased safety and security of passengers. The

Railway Protection Force has been constituted as an Armed Force of the Union to augment the efforts of the States to protect and secure railway property and passengers. Construction of a Dedicated Freight Corridor between Kolkata and Ludhiana on the eastern route, and Mumbai and Dadri on the western route, to augment the capacity of carrying freight traffic has been taken up. A Special Purpose Vehicle namely the Dedicated Freight Corridor Corporation of India Limited has already initiated preparatory work on this project. This project will use state-of-the-art technology and cover 2700 kilometres at an estimated cost of Rs.28,000 crore.

The expansion of the Civil Aviation Sector and the growing air traffic is indicative of the modernization of India's economy. The number of people who raveled by air nearly doubled, from around 5.7 crore in 2004 to around 11 crore in 2008. Airport infrastructure is being modernized and world class airports have come up in Hyderabad and Bengaluru while work is in progress in Delhi, Mumbai, Kolkata and Chennai. At the same time 35 non-metro airports are being upgraded through the Airports Authority of India. The Airport Economic Regulatory Authority Act has been passed by Parliament.

My Government has taken a number of steps to ensure that the reach of affordable telecom services is greatly enhanced. Through amendments to the law initiated by my Government faster expansion of mobile services in rural areas has been made possible through use of Universal Service Obligation Fund for such services. Today, there is a phone connection for every three persons and the target is to provide 50 crore connections by 2010. The Broadband Policy launched by my Government in 2004 has seen the number of broadband connections grow from a very low level to over 53 lakh.

While pursuing policies of economic development, my government has sought to ensure that there is no adverse impact on the environment. A new environment policy and a biodiversity action plan have been put in place to judiciously balance concerns of environment and development. Our flora and fauna need protection and my government has taken several steps to protect the Indian Tiger as well as all other species of wild life. Our great rivers are also our national assets. My government has formulated a Green India mission to reforest 6 million hectares of degraded forests making it one of the world's largest afforestation efforts. A Compensatory Afforestation Fund Bill locating resources for the programme is under consideration of Parliament. River Ganga has a special place in the hearts of all Indians. Over the years it has been felt necessary to look at the river as a totality and move from city-specific pollution abatement activities to a comprehensive development plan for the basin. My government has initiated steps to set up a Ganga River Basin Authority chaired by the Prime Minister with Chief Ministers of Ganga basin states to comprehensively plan for reviving the Ganga and its bounty.

My Government has taken measures to face the challenges posed by climate change. India firmly believes in upholding the position articulated in the United Nations Framework Convention on Climate Change that the principle of common but differentiated responsibilities must determine responses of individual countries. India has already voluntarily expressed a commitment that its per capita emissions will never exceed the average of developed countries. A National Action Plan for Climate Change has been developed by my government under which action will be taken forward through eight National Missions. These Missions will collectively move the country on a path of sustainable development. The National Solar Mission to harness solar energy is one of these eight Missions. A Mission on Sustainable Habitat will set green standards to guide future construction. These important Missions are under finalization now. A National Institute on Abiotic Stress Management is being set up in Baramati in Maharashtra to address impact of climate change on agriculture.

My government is committed to promote renewable energy technologies and increase its share in the energy mix. India has achieved grid-connected renewable power capacity of 13,740 megawatts and a capacity addition of 14,000 megawatts has been targeted for the 11th Plan.

The world looks up to India for its cultural resources. The large number of cultural institutions in the country requires financial support as well as professional leadership. My government has decided to alter the procedure of recruitment to ensure that professionals from the fields of art and culture get chosen to head the cultural institutions. Government has declared Kannada and Telugu as Classical languages along with Tamil and Sanskrit declared earlier and will extend support for activities related to their development. India successfully moved a Resolution, which was unanimously adopted by the United Nations General Assembly, to observe 2nd October as the "International Day of Non-Violence". During the last four years the country commemorated the 300th anniversary of the consecration of Shri Guru Granth Sahib, the 75th anniversary of Dandi March led by Mahatma Gandhi, Centenary of the Satyagraha, the hundred and fiftieth anniversary celebrations of the First War of Independence and the 2550th birth anniversary of Lord Buddha. These have been events recalling the wellsprings of our composite culture that upholds plurality of thought, tolerance, compassion and quest for truth and freedom. The bedrock of our culture is a celebration of freedom of thought and expression and any attempt to force a closing of the Indian mind goes against the very ethos of being Indian. Such elements need to be fought and defeated.

Economic resurgence has resulted in increased tourism opportunities for India. The Incredible India and the Athithi Devo Bhava campaigns along with concerted efforts at improving accommodation, air travel and travel facilitation have been successful in attracting more tourists. Foreign tourist arrivals rose from 3.46 million in 2004 to 5.37 million in 2008 while foreign exchange earnings in the same period went up from US $ 6.17 billion to US $ 11.75 billion.

India will host the Commonwealth Games in 2010. My government would spare no efforts to ensure its success. Under a Rs.678 crore scheme, comprehensive and intensive sports training and exposure will be provided at national and international levels to Indian sportspersons. A National Programme called Panchayat Yuvak Krida and Khel Abhiyan has also been launched to create basic sports infrastructure in village and block Panchayats in a phased manner.

My Government has taken a number of steps for devolution of managerial and financial autonomy to the profit making

Central Public Sector Enterprises (CPSEs). As a result, the turnover and profits of the CPSEs have increased by about 45% and 22%, respectively in the last three years. A Board for Reconstruction of Public Sector Enterprises was established to advise on the revival and restructuring of sick and loss making CPSEs. Government has approved the revival package for 34 sick and loss making CPSEs involving an amount of more than Rs.14000 crore based on the recommendations of the Board. My Government has also issued guidelines for the revision of pay scales of executives of CPSEs after considering the recommendations of the Second Pay Revision Committee.

The economic policies of my Government have resulted in an unprecedented growth rate of over 8.9% in the last four years, with the growth rate in the last 3 years exceeding 9%. Such growth has never been achieved before. This enabled my government to locate adequate resources to undertake development investment of an unprecedented scale, not only at the central government level, but also through increased assistance to state governments, which increased from Rs.186 thousand crore in 2003-04 to Rs.240 thousand crore in 2007-08. It also helped to implement the much-awaited Sixth Pay Commission recommendations for government employees, including Defence personnel.

My government's policies have ensured that even as India faces an economic slowdown along with the rest of the world, our fundamentals are much better. India's domestic demand can inject fresh momentum to our economy. India's banks are well capitalized and face no threat that many banks face in other parts of the world. My government has taken a series of measures to stimulate our economy at this juncture. These have been expeditiously announced after discussion with stakeholders to address the problem of slow down in industrial growth, exports and the services sector. These measures include increasing availability of liquidity and credit, reduction in taxes and duties, boost to infrastructure, and special support to the worst affected sectors such as exports, micro, medium and small industries, housing and automobiles. My government has relaxed the constraints imposed by the Fiscal Responsibility and Budget Management Act to increase capital expenditure by the state governments. These measures will drive the demand for goods and services reviving production activities in the manufacturing as well as services sectors. Even in the prevailing adverse global economic environment, our economy, it is hoped, would still register a relatively high growth rate.

Hon'ble members are aware that the sharp increase in global commodity prices, especially those of petroleum and food, had an adverse impact on our economy. This shock was in large measure absorbed by the government and the citizen insulated. This also required that government put in place several fiscal and monetary measures to contain inflation. As a result of these actions, my government has been able to bring down the rate of inflation from 12% in September 2008 to around 5-6% in January, 2009. The prices of petrol, and diesel and LPG have also been reduced to provide relief to the common man.

The nation faced multiple internal security challenges. The country witnessed terrorist attacks in several cities with growing levels of sophistication and assistance from outside the country. Several innocent lives have been lost. The terrorist attack in Mumbai as well as the terrorist incidents in Delhi, Ahmedabad, Hyderabad, Jaipur, Bengaluru and Assam and before that on our Embassy in Kabul, were an assault on all the values that our country stands for. The attack in Mumbai was deliberately planned to retard our economic progress. My government is heartened by the international support it has received after these attacks. There is greater appreciation in the international community of the threat that exists to the region and the world from the terrorism emanating from Pakistan.

I salute the members of our security forces, including members of State police forces, who face grave challenges from terrorists, left wing extremist and insurgent groups and resolutely defend the integrity and sovereignty of our country. Many of them have made the supreme sacrifice and laid down their lives, most recently in the attacks in Mumbai. We share the grief of their families, and my Government will ensure that they are adequately compensated so that they can lead normal lives.

My government has strengthened the country's internal security to protect people from such mindless acts of violence. A National Investigation Agency has been established to deal with terrorism. The Unlawful Activities (Prevention) Act has been amended to deal with terrorist offences and terrorist organizations. These measures have strengthened the legal and investigative framework to tackle terrorist forces. While arming the internal security apparatus with these powers, all care would be taken to uphold legal procedures and prevent any misuse of such powers. A comprehensive plan has been drawn up to strengthen maritime and coastal security against threats from the sea.

Left wing extremism remained a major concern in several states. My government has adopted a holistic approach to tackle this problem in close coordination with the affected states through modernization of police forces and better implementation of socio-economic development programmes for the most backward regions. Similarly, several initiatives were taken to deal with the problem of insurgency in the North-East.

. The general situation in the north-east has improved significantly over the last four years. Efforts have been made to initiate a dialogue process with various groups who abjure violence with the aim of bringing them into the national mainstream. To address the infrastructure deficit of northeastern states, a Special Accelerated Road Development Programme targeted to provide inter-region, inter-state and district level roads connectivity totaling about 8700 kilometers has been taken up. The 1840 km long Trans-Arunachal Expressway has been approved. Special emphasis has been given to the development of an alternate highway to Sikkim, and rail and air connectivity to the North East States has been put on fast track. The Kaladan project will link Mizoram and North East to the sea and open up the entire region. Along with infrastructure, expansion of educational facilities in this region has been given high priority with a Central University in each State of the region. An Indian Institute of Management has already been set up in Shillong.

For Jammu and Kashmir, my Government has taken up a Reconstruction Plan under which Rs.24,000 crore is being invested in 67 projects. It aims at strengthening infrastructure and catering to other development needs of the three regions of Jammu, Kashmir and Ladakh. The Baglihar hydro-electric project has been commissioned. Commencement of the first railway line in the valley has meant both physical and emotional connectivity for the people of the region with the rest of India. Srinagar-Kargil-Leh road has been declared a national highway and its upgradation is in progress. Against this background, my Government has reached out to people resorting to violence to join the mainstream and work for the welfare and rapid development of Jammu and Kashmir.

The protection of India's security and territorial integrity has received the highest attention of my Government. Our Armed Forces have made the country proud with their sense of commitment, sacrifice and professionalism. They have time and again come to the aid of civil authority in natural disasters, as well as to combat insurgency in affected areas.

Our long borders encompassing different geographical and climate conditions and terrains make it imperative to keep the Armed Forces in a state of full preparedness to face diverse challenges at all times. The modernization programme of the Armed Forces is focused on state-of-the-art technology, network centric warfare, and includes an Integrated Space Cell to deal with the challenges posed by the militarization of space. Government stands committed to give financial support for modernization to the required extent. The actions taken by the Indian Navy to deal with threats of piracy in the Gulf of Aden and to secure our sea-lanes of communication have demonstrated our capacity and willingness to protect our interests.

Our research and development efforts in the area of defence technology showed concrete results through launches of the Agni-I and Agni-III and other missiles. The main battle tank Arjun was productionised. Defence procurement procedures were continually reviewed and updated to ensure maximum transparency, economy of resources and support for our indigenization efforts.

India has the second largest diaspora in the world. The overseas Indian community estimated at over 25 million is spread across every major region in the globe. My government has taken a series of measures to improve the welfare of overseas Indians, particularly in West Asia and the Gulf, and to create mechanisms to facilitate their participation in nation building activities. These have included scholarship programmes, the creation of the India Development Foundation, the establishment of a Council for Promotion of Overseas Employment and an Overseas Workers Resource Centre and a People of Indian Origin/Non Resident Indian University. In recognition of the importance attached to the role of overseas Indians, a Prime Minister's Global Advisory Council of Persons of Indian Origin has been set up to catalyse ideas for national development.

My government has accorded highest priority to fostering close political, economic, social and cultural relations with all countries, on the basis of sovereign equality and mutual respect, to help promote a friendly and peaceful external environment, to safeguard our national security and ensure rapid socio-economic development for our people. We have also consistently endeavoured to promote a stable and prosperous South Asia in the recognition of the fact that we are bound by strong ties of history, culture and ethnicity.

The conduct of our foreign policy has enhanced India's stature in the world. My government's foreign policy has been imbued with the values that our nation rests upon − of independence of thought and action, ensuring a democratic, just and equitable world order and the rule of law. India's views on the major international issues of our times are not just heard, but are now being actively sought.

My Government worked actively with the international community to address key global challenges of terrorism, energy and food security, climate change and sustainable development, the global economic and financial crisis, and the reform of international institutions, including of the United Nations, to reflect contemporary realities.

The conclusion of an India Specific Safeguards Agreement with the International Atomic Energy Agency and the decision of the Nuclear Suppliers' Group in 2008 to allow its members to enter into full civil nuclear cooperation and trade with India in nuclear material and technology marks the beginning of the end of thirty four years of nuclear isolation and the technology denial regime that India was being subjected to. This has opened the way for our indigenous nuclear power generation programme to be reinforced by additionalities through international civil nuclear energy cooperation, thereby also contributing to the global fight against climate change. The opening of such cooperation with India is a vindication of India's impeccable record on non-proliferation and our long-standing commitment to universal, non-discriminatory and comprehensive nuclear disarmament.

India discharged her responsibilities in South Asian Association for Regional Cooperation to promote economic re-integration in our neighbourhood. During India's Chairmanship of the SAARC and thereafter, several regional initiatives, including the decision to establish the South Asian University in India, were launched which transformed SAARC from a declaratory to an implementation phase.

We consolidated our relations with Afghanistan, and remained closely involved with its economic reconstruction and development efforts. We wish to see a stable, pluralistic and democratic Afghanistan. The terrorist attack on our Embassy in Kabul in 2008 was a matter of deep concern and reinforced our determination to fulfill our commitments to the people of Afghanistan. We welcome the return of multi-party democratic politics in Bangladesh and remain committed to working closely with the newly elected Government. The visit of the Prime Minister to Bhutan and my own visit to represent India at the Coronation of His Majesty Jigme Khesar Wangchuck further consolidated our multi-faceted relations with our closest neighbour. India and the Maldives continue to enjoy traditional bonds of friendship and close cooperation. With Myanmar

we have conducted our relations in a manner that reflects our shared history and mutual desire to promote peace and tranquility along the border. Government extended its full support to the people of Nepal in their historic transition to a multi-party democracy, and we wish them well.

We are concerned at the plight of civilians internally displaced in Sri Lanka on account of escalation of the military conflict. We continue to support a negotiated political settlement in Sri Lanka within the framework of an undivided Sri Lanka acceptable to all the communities, including the Tamil community. I would appeal to the Government of Sri Lanka and to the LTTE to return to the negotiating table. This can be achieved if, simultaneously, the Government of Sri Lanka suspends its military operations and the LTTE declares its willingness to lay down arms and to begin talks with the government.

Our relations with Pakistan have made considerable progress since 2004, but, regrettably, terrorism from Pakistan has eroded the achievements of the bilateral dialogue process and has caused a grave setback to our relations. Despite solemn commitments given by Pakistan at the highest level that it would not allow territory under its control to be used for terrorism in any manner against India, terrorists from Pakistan have continued to attack India. We expect Pakistan to honour the commitments made to us, and to take decisive and credible action against all terrorist groups that are based in, and operate from, its territory.

Our relations with the People's Republic of China have witnessed regular high-level exchanges, growing economic and trade ties, increased defence contacts and enhanced people-to-people exchanges. Our Strategic and Cooperative Partnership with China is progressively acquiring a more regional and international perspective. Both sides are also engaged in efforts at resolving outstanding issues including the boundary question through dialogue, while maintaining peace and tranquility in the border areas.

The signing of the Agreement on Cooperation on Peaceful Uses of Nuclear Energy with USA was one of the manifestations of the transformation in our relationship with the United States of America. Our relations with the USA cover a broad canvas of sectors ranging from science and technology, agriculture, education, health to trade and investment. We look forward to working with the new Administration to mutual benefit in the bilateral field as well as on the major challenges of our time. India's strategic partnership and long standing relations with Russia have been strengthened and diversified. Russia remains our valued partner in meeting our defence and nuclear energy needs, and in the area of science and technology, including cooperation in the field of space. Our interaction with the European Union and other countries in Europe in the fields of defence and security, science and technology, trade and investment, agriculture, culture and education has significantly deepened. Agreements on civil nuclear cooperation were signed with Russia and France, and negotiations to conclude similar agreements with other friendly countries were initiated.

Our Strategic and Global Partnership with Japan was consolidated and our relations are marked by a strong mutual desire to harness our complementarities. Our engagement with East Asia was a manifestation of our belief that the twenty-first century belongs to Asia, and that India has a role to play in the Asian resurgence. My visits to Vietnam and Indonesia, and India's participation for the first time in the Summit meeting of the ASEM countries provided a major impetus to our "Look East Policy".

We paid special attention to the intensification of our traditional and historic relations with the Gulf. The visit of the Prime Minister to Oman and Qatar opened new avenues of cooperation in the areas of energy security, investment and welfare of Indians working in the Gulf. Our ties with West Asia were reinforced through the visits of the Presidents of Egypt, Syria and the Palestinian Authority. The most tragic loss of lives and acute suffering surrounding the recent incursions into Gaza highlight the urgent need for a comprehensive resolution of the Palestinian issue. We remain steadfast in our support to the Palestinian cause, and in our desire to see peace and stability in West Asia. The government worked towards building a contemporary relationship with Iran. The visit by the President of Kazakhstan as the Chief Guest for our Republic Day symbolized the importance attached by Government to our extended neighbourhood in Central Asia.

My Government opened a new chapter in our relations with the great continent of Africa. The first ever India-Africa Forum Summit held in India established a blueprint for our relations with Africa for the future. We will share our resources and technical know-how to assist Africa in its development efforts. My first overseas visit as President was to Brazil, Mexico and Chile. Several steps have been taken to tap the vast potential that exists in our relations with Latin America and the Caribbean countries.

India's participation in the Summit meeting of the G-20 countries, and the hosting of the third IBSA Summit and second BIMSTEC Summit in India were utilized to forge new, and strengthen existing, economic linkages at a time of turmoil in the international economic and financial system.

Honourable Members, the efforts of my government were singularly focused on enhancing the prosperity of our people through the sharing of opportunity. My government believes that its programmes for inclusive development have created those opportunities that help share the benefits of progress more equitably. When a child in a remote tribal village has access to a local school that has come up in her habitation, when her health care needs are attended to, when her parents do not have to migrate for work but find employment locally through the National Rural Employment Guarantee Act, when they have rights on their land, and when they are empowered to make the government accountable to them for these actions through the Right to Information we have moved closer to meeting the goals that Pandit Jawaharlal Nehru flagged for the nation. At the turn of our independence his clarion call in these very hallowed precincts was that collectively we must act to "remove poverty, ignorance, disease and the inequality of opportunity". Even while acknowledging that the move towards an inclusive society with equal opportunities for all our citizens is still work in progress, on the basis of the record

of its performance, it is my government's belief that we have moved much closer to realizing this agenda.

My government has steadfastly sought to accelerate the pace of growth to enable our youth to access global opportunities. Young India has the power to dream big. Our economic progress has enabled such global aspirations. Our investments in knowledge will get us closer to our goals. Our young people have never been more confident about the future. Let our reach exceed our grasp. Jai Hind.